STRATEGIC MANAGEMENT OF HUMAN CAPITAL

Agency: • Implemented a comprehensive Human Capital Plan that is fully integrated with the agency's overall strategic plan and annual performance goals, analyzes the results relative to the plan, and uses them in decision making to drive continuous improvement; • Analyzed existing organizational structures from service and cost perspectives and is implementing a plan to effectively deploy, restructure, delayer and use competitive sourcing, E-Gov solutions, as necessary; and has process(es) in place to address future changes in business needs; • Succession strategies, including structured leadership development programs, result in a leadership talent pool and agency meets its targets for closing leadership competency gaps; • Demonstrates that it has performance appraisal and awards systems for all SES and managers, and more than 60% of the workforce, that effectively: link to agency mission, goals, and outcomes; hold employees accountable for results appropriate for their level of responsibility; differentiate between various levels of performance (i.e., multiple performance levels with at least one summary rating above Fully Successful); and provide consequences based on performance. In addition, at a beta site, there is evidence that clear expectations are communicated to employees; rating and awards data demonstrate that managers effectively planned, monitored, developed and appraised employee performance; and the site is ready to link pay to the performance appraisal systems. The agency has significantly increased the size of the beta site and is working to include all agency employees under such systems; • Reduced under representation, particularly in mission-critical occupations and leadership ranks; established processes to sustain diversity; • Meets targets for closing competency gaps in mission critical occupations (i.e., agency-specific, human resources management, information technology, and leadership), and integrates appropriate competitive sourcing and E-Gov solutions into gap closure strategy; • Meets 45-day time to hire standard, 45-day standard to notify applicants of hiring decision for 50% of hires, targets for hiring process improvements based on CHCO Council criteria; • Sets and meets aggressive SES hiring timelines progressing toward a 30-day average; **AND** • Periodically conducts accountability reviews with OPM participation, taking corrective and improvement action based on findings and results, and providing annual report to agency leadership and OPM for review and approval.	Agency: • Developed, documented and communicated throughout the agency a comprehensive Human Capital Plan that: ▪ Clearly aligns with the agency's mission, strategic plan, and annual performance goals; ▪ Fully addresses the Human Capital Assessment and Accountability Framework (HCAAF); ▪ Incorporates metrics, including timelines for implementation; and ▪ Designates accountable officials; • Analyzed existing organizational structures from a service delivery perspective, using redeployment and delayering as necessary; • Implemented succession strategies, including structured leadership development programs, to assure continuity of leadership, sets targets for closing leadership competency gaps, and has implemented gap closure strategy; • Implemented merit-based appraisal plans and awards programs that link to agency mission, goals and outcomes; hold employees accountable for results appropriate for their level of responsibility; differentiate between various levels of performance; and provide consequences based on performance for all SES and managers. Implementing, at a beta site, performance appraisal and awards systems that are fair, credible and transparent; assure managers are competent in their role as managers; hold managers accountable for managing employee performance, as reflected in their performance plans and ratings; and include employee involvement and feedback. The agency is working to include all agency employees under such systems; • Implemented strategies to address under representation, particularly in mission-critical occupations and leadership ranks; • Conducted a workforce analysis to identify, set targets, and address competency gaps in mission critical occupations, (i.e., agency-specific, human resources management, information technology, and leadership), and developed short- and long-term strategies to close gaps, including targeted employee development and recruitment and retention programs; • Has regular, auditable system(s) for collecting and analyzing data on stages of the hiring process and sets a target for time from closing of announcement until offer is made (e.g., average of 30 days for SES and 45 days for all non-SES); **AND** • Has developed an OPM-approved accountability system, based on the HCAAF; the system uses outcome measures to make human capital decisions, demonstrate results, and drive continuous improvement in human capital standards. The system includes conducting periodic accountability reviews with OPM participation, taking corrective and improvement action based on findings and results, and providing an annual report to agency leadership and OPM for review and approval.	Agency: • Lacks a comprehensive Human Capital Strategy: • Has not done analysis or initiated steps to ensure that its organization structure is optimal for service delivery; • Has not identified leadership gaps and implemented succession strategies to assure continuity of leadership; • Has not implemented a performance appraisal system for SES and managers that is linked to agency mission, goals and outcomes, effectively differentiate between various levels of performance, and provides consequences based on performance; • Has not identified under-representation or implemented strategies to address it; • Has not implemented a workforce planning system to identify and address competency gaps in mission critical occupations to create a quality workplace that continues to attract and retain talent; • Has not made progress toward meeting aggressive hiring time standards and does not make use of hiring flexibilities; **OR** • Has not developed a planning and accountability system using metrics to evaluate performance on all of the Human Capital Standards.

COMPETITIVE SOURCING

Agency: • Has an OMB approved "green" competition plan to compete commercial activities available for competition; • Publicly announces standard competitions in accordance with the schedule outlined in the agency "green" competition plan; • Since January 2001, has completed at least 10 competitions (no minimum number of positions required per competition) or has completed a sufficient number of large competitions to demonstrate meaningful use of competitive sourcing; • In the past four fiscal quarters, completed 90% of all standard competitions in a 12-month timeframe or timeframe otherwise approved in accordance with the Circular; • In the past four fiscal quarters, completed 95% of all streamlined competitions in a 90-day timeframe or timeframe otherwise approved in accordance with the Circular; • In the past year, canceled fewer than 10% of publicly announced standard and streamlined competitions; • Has OMB reviewed written justifications for all categories of commercial activities determined to be unsuitable for competition; • Structures competitions in a manner to encourage participation by both private and public sectors as typically demonstrated by receipt of multiple offers and/or by documented market research, as appropriate; • Regularly reviews work performed once competitive sourcing studies are implemented to determine if performance standards in contract or agreement with agency provider are met and takes corrective action when provided services are deficient. • Submits quarterly reports to OMB's competitive sourcing tracking system regarding status of pending competitions and results achieved; **AND** • Has positive anticipated net savings and/or significant performance improvements from competitions completed either in last fiscal year for which data has been officially reported to Congress by OMB or in the past three quarters. **To main green status, agency:** • Has expressly coordinated "green" competition plan annual updates with agency's Chief Human Capital Officer; **AND** • Through sampling, independently validates that savings to be achieved for the prior fiscal year were realized.	Agency: • Has an OMB approved "yellow" competition plan to compete commercial activities available for competition; • Has completed one standard competition or has publicly announced standard competitions that exceed the number of positions identified for competition in the agency's "yellow" competition plan; • In the past two quarters, has completed 75% of streamlined competitions in a 90-day timeframe or timeframe otherwise approved in accordance with the Circular; • In the past two quarters, has canceled fewer than 20% of publicly announced standard and streamlined competitions; • Has positive anticipated net savings and/or performance improvements from competitions completed either in the last fiscal year for which data has been officially reported to Congress by OMB or in the past two fiscal quarters; or has taken corrective actions to address identified weaknesses; **AND** • Submits quarterly reports to OMB's competitive sourcing tracking system regarding status of pending competitions and results achieved.	Agency: • Does not have an OMB approved competition plan; • Has not completed one standard competition or publicly announced standard competitions that exceed the number of positions identified for competition in the agency's "yellow" competition plan; • In the past two quarters, exceeded the timeframes stipulated in the Circular in more than 25% of streamlined competitions; • In the past two quarters, canceled 20% or more of standard and streamlined competitions; **OR** • Has not submitted quarterly reports to OMB's competitive sourcing tracking system regarding status of pending competitions and results achieved.

IMPROVED FINANCIAL PERFORMANCE

Agency: • Meets all Yellow Standards for Success; • Currently produces accurate and timely financial information that is used by management to inform decision-making and drive results in key areas of operations; **AND** • Is implementing a plan to continuously expand the scope of its routine data use to inform management decision-making in additional areas of operations.	Agency: • Receives an unqualified audit opinion on its annual financial statements; • Meets financial statement reporting deadlines; • Reports in its audited annual financial statements that its systems are in compliance with the Federal Financial Management Improvement Act; • Has no chronic or significant Anti- Deficiency Act Violations; • Has no repeat material auditor-reported internal control weaknesses; • Has no material non-compliance with laws or regulations; **AND** • Has no repeat material weaknesses or non-conformances reported under Section 2 and Section 4 of the Federal Managers' Financial Integrity Act that impact the agency's internal control over financial reporting or financial systems.	Agency: • Receives an opinion other than unqualified on its annual financial statements; • Does not meet financial reporting deadlines; • Cannot report in its audited annual financial statements that its systems are in compliance with the Federal Financial Management Improvement Act; • Commits chronic or significant Anti-Deficiency Act Violations; • Has repeat material auditor reported internal control weaknesses; • Is in material non-compliance with laws or regulation; **OR** • Has repeat material weaknesses or non-conformances reported under Section 2 and Section 4 of the Federal Managers' Financial Integrity Act that impact the agency's internal control over financial reporting or financial systems.

EXPANDED ELECTRONIC GOVERNMENT

Agency: • Has an Enterprise Architecture with a score of 4 in the "Completion" section and 3 in both the "Use" and "Results" sections; • Has acceptable business cases for all major systems investments and no business cases on the "management watch list;" • Has demonstrated appropriate planning, execution, and management of major IT investments, using EVM or operational analysis and has portfolio performance within 10% of cost, schedule, and performance goals; • Inspector General or Agency Head verifies the effectiveness of the Department-wide IT security remediation process and rates the agency certification and accreditation process as "Satisfactory" or better; • Has 90% of all IT systems properly secured (certified and accredited); **AND** • Adheres to the agency-accepted and OMB-approved implementation plan for all of the appropriate E-Gov/Lines of Business/SmartBuy initiatives and has transitioned and/or shut down investments duplicating these initiatives in accordance with the OMB-approved implementation plan. **To maintain green status, agency:** • Has ALL IT systems certified and accredited; • Has IT systems installed and maintained in accordance with security configurations; • Has demonstrated for 90% of applicable systems a Privacy Impact Assessment has been conducted and is publicly posted; **AND** • Has demonstrated for 90% of systems with personally identifiable information a system of records has been developed and published.	Agency: • Has an Enterprise Architecture with a score of 4 in the "Completion" section and 3 in either the "Use" or "Results" sections; • Has acceptable business cases for more than 50% of its major IT investments; • Submits security reports to OMB that document consistent security improvement and either: ▪ 80% of all IT systems are properly secured; **OR** ▪ Inspector General or Agency Head verifies the effectiveness of the Department-wide IT Security Plan of Action and Milestone Remediation Process; • Has demonstrated appropriate planning, execution, and management of major IT investments, using EVM or operational analysis, and has IT portfolio performance operating within 30% of cost, schedule, and performance goals; **AND** • Has an up-to-date agency-accepted and OMB-approved implementation plan for all of the appropriate E-Gov/Lines of Business/SmartBuy initiatives rather than creating redundant or agency unique IT projects.	Agency: • Does not have an Enterprise Architecture with a score of 4 in the "Completion" section and 3 in either the "Use" or "Results" sections; • Does not have acceptable business cases for more than 50% of its major IT investments; • Has not submitted Security Reports to OMB that document consistently security improvement and cannot demonstrate that: ▪ 80% of all IT systems are properly secured; OR ▪ Inspector General or Agency Head has verified the effectiveness of the Department-wide IT Security Plan of Action and Milestone Remediation Process; • Has cost and schedule overruns, and performance shortfalls, that average 30% or more; **OR** • Does not have an up-to-date agency-accepted and OMB-approved implementation plan for all of the appropriate E-Gov/Lines of Business/SmartBuy initiatives rather than creating redundant or agency unique IT projects.

BUDGET AND PERFORMANCE INTEGRATION

Agency: • Senior agency managers meet at least quarterly to examine reports that integrate financial and performance information that covers all major responsibilities of the Department. Agency has a "green" plan in place to improve program performance and efficiency each year; • Strategic plans contain a limited number of outcome-oriented goals and objectives. Annual budget and performance documents incorporate measures identified in the PART and focus on the information used in the senior management report described in the first criterion; • Reports the full cost of achieving performance goals accurately in budget and performance documents and can accurately estimate the marginal cost of changing performance goals; • Has at least one efficiency measure for all PARTed programs; • Uses PART evaluations to direct program improvements and hold managers accountable for those improvements, and PART findings and performance information are used consistently to justify funding requests, management actions, and legislative proposals.; **AND** • Less than 10% of agency programs receive a Results Not Demonstrated rating for two years in a row. **To maintain green status, agency:** • Improves program performance and efficiency each year according to "green plan," **AND** • Uses marginal cost analysis to inform resource allocations, as appropriate.	Agency: • Senior agency managers meet at least quarterly to examine reports that integrate financial and performance information that covers some of the major responsibilities of the Department. Agency can demonstrate information is used to improve performance of agency programs; • Strategic plans contain a limited number of outcome-oriented goals and objectives. Annual budget and performance documents incorporate measures identified in the PART process; • The full cost of achieving performance goals is accurately reported in budget and performance documents; • At least 50% of agency programs rated by the PART have at least one efficiency measure; • PART findings and performance information are used to justify funding requests, management actions, and legislative proposals, and agency assigns specific individuals responsibility for implementing program improvement plans; **AND** • No more than 50% of agency programs receive a Results Not Demonstrated rating for two years in a row.	Agency: • Senior agency managers do not have a regular process for considering financial and performance information when making decisions regarding the management of Agency programs; • Strategic plans contain too many goals and objectives to provide a clear focused statement of Agency priorities. Performance measures included in annual budget and performance documents do not meet the standards of the PART; • Does not have a systematic way to estimate the full cost of achieving performance goals reported in budget and performance documents; • Fewer than 50% of agency programs rated by the PART have at least one efficiency measure; • Agency does not consistently use PART ratings to justify funding requests, management actions, and legislative proposals; **OR** • More than 50% of agency programs receive a Results Not Demonstrated rating for two years in a row.

ELIMINATING IMPROPER PAYMENTS[1]

Agency:
• Has met all Yellow Standards for Success;
• Demonstrates that improper payments are being reduced consistent with reduction targets; **AND**
• Has established improper payments recovery targets, where appropriate, and is actively meeting such targets.
	Agency:
	• Has a risk assessment in place that identifies all programs that are at significant risk of improper payments;
	• Has an OMB-approved plan for measuring improper payments on an annual basis and meets milestones established in the plan that include the following for each risk susceptible program:
	  ◦ yields a valid annual improper payment amount consistent with OMB guidance on error measurement either for -- (a) the program as a whole; or (b) one or more significant components of the program;
	  ◦ tracks sampled payments through each phase of the payment lifecycle (i.e., internal agency processing, payment to any intermediary, and payment to the ultimate recipient; and
	  ◦ identifies the causes of error so that corrective action plans can be tailored appropriately
	• Has an OMB-approved corrective action plan that includes aggressive, yet feasible, reduction targets; **AND**
	• Complies with improper payments reporting requirements.
		Agency:
		• Has no risk assessment in place to identify the programs that are at significant risk of improper payments;
		• Lacks an OMB-approved plan for measuring improper payments or does not meet milestones established in an OMB-approved plan;
		• Has no OMB-approved corrective action plan that includes aggressive, yet feasible, reduction targets; **OR**
		• Does not comply with improper payments reporting requirements.

[1] Includes the following agencies: Agriculture, Defense, Education, HHS, DHS, HUD, Labor, DOT, Treasury, VA, EPA, NSF, OPM, SBA, and SSA

FAITH-BASED AND COMMUNITY INITIATIVE[2]

Agency: • Has implemented a comprehensive outreach and technical assistance strategy for enhancing opportunities of faith-based and community organizations (FBCO) to compete for federal funding, including working with state and local officials to expand access to Federal funding awarded through them. This strategy employs all 10 best practices; • Regularly monitors compliance with the equal treatment regulations at the State and local levels, promptly addresses violations once they are detected, and has a process in place to ensure that compliance information is use to inform future funding. Compliance monitoring activities employ all 10 best practices; • Collects accurate and timely data on participation of FBCO and other applicants, including government entities, in selected Federal non-formula and formula grant programs and has taken steps to include additional formula grant programs and make them a routine part of program administration. Programs are working to make this information accessible to the public; • Implements pilot programs to strengthen the partnership between FBCO and the Federal government to deliver services and inform implementation of the Initiative, and expands the use of pilots to test new strategies when appropriate; • Undertakes outcome-based evaluations of its pilot programs where FBCO participate, provides quarterly progress reports and interim results to White House Office of Faith-Based and Community Initiatives (WHOFBCI) throughout the life of the program, and builds an evaluation component into new pilots. Incorporated FBCO component into broader program evaluations when appropriate; **AND** • Identifies candidate grant programs for expansion of individual choice, and develops and has begun to implement plan for conversion.	Agency: • Has developed a comprehensive outreach and technical assistance strategy for enhancing opportunities of faith-based and community organizations (FBCO) to compete for federal funding, including working with state and local officials to expand access to Federal funding awarded through them, and has begun to implement the plan. This strategy employs 6 of 10 best practices; • Has taken steps to ensure barrier free access for FBCO to the Federal competitive grants process. These steps include 6 of 10 best practices; • Has established procedures to collect data on participation of FBCO in selected non-formula Federal programs and at least one formula grant program; • Has implemented pilot programs to strengthen the partnership between FBCO and the Federal government to deliver services; **AND** • Has undertaken outcome-based evaluations of its first set of pilot programs and has provided progress reports to WHOFBCI.	Agency: • Has no outreach and technical assistance strategy for enhancing opportunities of faith-based and community organizations (FBCO) to compete for federal funding, has not begun to implement the plan, or has a strategy that is not comprehensive; • Has not taken steps to ensure barrier free access for FBCO to the Federal competitive grants process; • Has not established procedures to collect data on participation of FBCO and the Federal government to deliver services; **OR** • Has not undertaken outcome-based evaluations of its first set of pilot programs or has not provided progress reports to WHOFBCI.

[2] Includes the following agencies: Agriculture, Commerce, Education, HHS, HUD, Justice, Labor, SBA, USAID, and Veterans Affairs

FEDERAL REAL PROPERTY ASSET MANAGEMENT[3]

Agency:
• Meets all Yellow Standards for Success;
• Established an OMB-approved three-year rolling timeline with date certain deadlines by which agency will address opportunities and determine its priorities as identified in the asset management plan;
• Demonstrated steps taken toward implementation of asset management plan as stated in yellow standards (including meeting established deadlines in three-year timeline, meeting prioritized management improvement actions, maintaining appropriate amount of holdings, and estimating and optimizing cost levels);
• Accurate and current asset inventory information and asset maximization performance measures are used routinely in management decision-making (such as reducing the amount of unneeded and underused properties); **AND**
• The management of agency property assets is consistent with the agency's overall strategic plan, the agency asset management plan, and the performance measures established by the Federal Real Property Council as stated in the Federal Real Property Asset Management Executive Order.
	Agency:
	• Has a Senior Real Property Officer (SRPO) who actively serves on the Federal Real Property Council (FRPC);
	• Established asset management performance measures, consistent with the published requirements of the Federal Real Property Council;
	• Completed and maintained a comprehensive inventory and profile of agency real property, consistent with the published requirements of the Federal Real Property Council;
	• Provided timely and accurate information for inclusion into the government-wide real property inventory database; **AND**
	• Developed an OMB-approved comprehensive asset management plan that:
	  • Complies with guidance established by the Federal Real Property Council (FRPC)
	  • Includes policies and methodologies for maintaining property holdings in an amount and type according to agency budget and mission
	  • Seeks to optimize level of real property operating, maintenance, and security costs.
		Agency:
		• Does not actively participate on the Federal Real Property Council (FRPC);
		• Has not established asset management performance measures or has asset management performance measures that are inconsistent with the published requirements of the FRPC;
		• Has not completed or does not maintain a comprehensive inventory and profile of agency real property consistent with the published requirements of the FRPC;
		• Does not provide timely and accurate information for inclusion into the government-wide real property inventory database; **OR**
		• Has not developed an OMB-approved comprehensive asset management plan.

[3] Includes the following agencies: Agriculture, Defense, Energy, HHS, DHS, Interior, Justice, Labor, State, DOT, VA, Corps, GSA, and NASA